



## DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND  
2531 JEFFERSON DAVIS HWY  
ARLINGTON VA 22242-5160

IN REPLY REFER TO

7700  
Ser 017/22  
16 April 98

### MEMORANDUM FOR DISTRIBUTION

From: Director, Cost Engineering & Industrial Analysis (SEA017)

Subj: TOTAL OWNERSHIP COST (TOC) REDUCTION

Ref: (a) COMNAVSEA ltr Ser 017/15 dtd 26 Mar 98  
(same subject)

Encl: (1) PEO and Directorate Representatives

1. The purpose of this correspondence is to establish a Command wide working group to facilitate the implementation of TOC Reduction Programs. This working group will implement the policy guidance and timeline established in reference (a). The initial meeting of the TOC working group will be on 30 April 1998, 1030-1200, NC#3, Rm 11S08. Previously identified PEO and Directorate representatives are identified enclosure (1). Additional representatives may be identified at individual PEO/Directorate discretion.

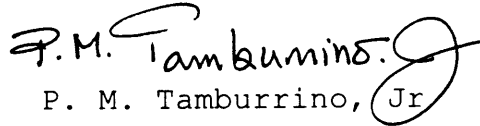
2. The TOC working group will have four initial goals:

- Review and critique the proposed templates and data capturing format for TOC reduction initiatives;
- Review, critique and adopt a common work breakdown structure for TOC definition and reporting that has been developed by the ASN(RD&A) TOC Strategic Goal Team;
- Develop and adopt a set of top level management metrics that will be adaptable across all NAVSEA platforms and systems and can be used to report TOC progress;
- Identify and resolve issues associated with the quality, timeliness, etc; of data sources such as VAMOSOC needed to establish TOC baselines.

3. The effort to establish and execute TOC reduction programs will be difficult, challenging and long-term. I will personally be attending these meetings to insure consistency of understanding, template application and rapid resolution of identified challenges. In order to be successful, I need your assistance in giving this effort visibility and senior management support within your organization. I expect the working group will meet 2 hours weekly for the first 2-3 months of effort.

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4. I am available at your convenience to answer any questions you might have regarding this effort. I can be reached at (703) 602-1209.

  
P. M. Tamburrino, Jr

CURRENTLY IDENTIFIED TOC POC'S

| <u>ORGANIZATION</u> | <u>NAME</u> |
|---------------------|-------------|
| SEA01               | [REDACTED]  |
| SEA03               | [REDACTED]  |
| SEA04               | [REDACTED]  |
| PEO CLA/SEA91       | [REDACTED]  |
| PEO SC              | [REDACTED]  |
| PEO DD 21           | [REDACTED]  |
| TEAM SUBMARINE      | [REDACTED]  |
| PEO TAD             | [REDACTED]  |
| PEO USW             | [REDACTED]  |

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